

PREPARED FOR:  
TOWN OF  
SALEM

## ECONOMIC DEVELOPMENT PLAN

OCTOBER 24, 2003

PREPARED BY:



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# Executive Summary

For years, Salem's Economic Development Commission (EDC) has struggled without strong expertise, without an economic analysis specific to the town, and without a plan. For a long time, we wanted to get together with some experts and brainstorm all kinds of businesses that might succeed in Salem, evaluate each one, and finally select the most likely on which to focus our understandably limited resources. Not only did we want to do this, Salem's Plan of Conservation and Development now calls for us to do it. Last year, we requested and received a small infusion of funds to do just that, and this plan is the result.

## ***Why We Wrote This Plan***

There is not much business in Salem compared to most Connecticut towns, even rural towns. About 94% of tax revenue comes from residents, 6% from business. Typically, a town has a grand list balance of 85% residential and 15% business. This means that Salem residents bear an unusually high proportion of taxes.

Business development is not easy. Generally, businesses prefer sites with sewer, water, optical fiber trunk lines, and a major highway – none of which Salem offers. Some types of businesses generate high tax revenue with little cost to a town, while others generate low tax revenue yet require considerable town services. Some businesses bring pollution, congestion, and erosion of the rural character of a town. Property is taxed, not sales, so a business that has substantial buildings and equipment will render much higher tax revenue than a business that has few assets, even though it does a land-office business in sales (the state gets the sales tax; Salem gets the property tax). Furthermore, even if we thought a certain kind of business would be great to have in Salem, we had little idea about what techniques and tools might be available to us to attract and foster them. Therefore, we knew we had to consider a lot of contending factors – and that we needed help doing so.

## ***How We Did It***

We hired CERC (Connecticut Economic Resource Center), a nonprofit firm specializing in economic development and familiar with rural town issues. CERC's first step was to advise us to set up a "Stakeholder Committee," a small group of business owners and representatives

from town boards and commissions, that would help provide a broader spectrum of viewpoints than found solely among EDC members.

We did so. The committee includes:

- **Dave Burnett**, a long-time resident and one of Salem's most successful businessmen
- **Stuart Gadbois**, the most successful, and nearly the last, farmer in town. With rural character preservation a key theme, we knew no one would represent Salem's rural character better than Mr. Gadbois.
- **Peter Sielman**, representing the Board of Selectmen and the Route 11 Greenway Authority, an important perspective to capture because Route 11 is another key factor in Salem's economic development
- **Leon Miller**, representing both the EDC (of which he is chairman) and the Planning & Zoning Commission (of which he is an alternate)
- **Bruce Kirk**, also representing EDC (he is a member) and the Board of Finance (an alternate).

With this group, we felt we had a good balance of viewpoints.

CERC also advised us that the number one rule of thumb in rural economic development is to grow from within. Promoting existing businesses has a far higher success rate than trying to attract new, and sometime competitive, businesses. Unfortunately, much excitement and news coverage is generated by bringing a single big business to town that has a large impact on taxes. But the likelihood of doing that is very small, the process is contentious, and initial costs (tax abatements and free services promised to woo the business) can be high. It's much more successful, efficient, and cost-effective to grow what you've got, play to your strengths, and let the rest of the small towns fight over a Wal-Mart. We agreed with this reasoning and factored it into our considerations.

CERC recommended an economic analysis, both local and regional, both current and forecasted. This analysis can sometimes reveal important impediments as well as opportunities. We concurred, and CERC provided us with plenty of data. Most relevant is an impact analysis of finishing Route 11.

We held six Stakeholder Committee meetings from February to August 2003. Brian Miller, the CERC representative, attended each one and guided us through the thinking process, providing many valuable insights for our consideration – insights that only an experienced economic development consultant could offer. His ready knowledge and facilitator style were crucial to our decision-making process.

The Stakeholder Committee's first step was to reach common agreement on vision, goals, strengths, and weaknesses. Then we brainstormed and produced a list of 20 business types that we thought might work in Salem – either because they were already here and had growth potential, or because they seemed to fit Salem's mix of strengths and weaknesses. Here is the "List of 20" in alphabetical order:

1. Age-Restricted Cluster Housing
2. Agriculture – Ornamental Horticulture
3. Agriculture-related Retail
4. Agriculture – Service Retail
5. Agriculture – Specialty Crops and Animals
6. Agriculture – Traditional
7. Bed and Breakfast Establishments
8. Camps
9. Campgrounds
10. Equestrian-Related Activities
11. Existing Businesses (in general)
12. Fish and Game Supply – Retail
13. Golf Courses
14. Home-Technology Occupations
15. Industrial – Small Operations
16. Information Storage ("Server Farms")
17. Local Retail Services
18. Quarries
19. Self Storage
20. Travel Services

CERC took this list and performed basic economic analyses based on four characteristics: location requirements, labor force requirements, impact on community, and impact on taxes.

Using this analysis, we re-considered the “List of 20” and whittled it to a list of eight “highly likely” businesses. CERC went away with the list, and returned a month later with a more detailed analysis of each of the eight business types. Here is the "List of 8" in alphabetical order.

1. Age-restricted Cluster Housing
2. Agriculture (including specialty crop, ornamental, conventional and retail)
3. Campgrounds
4. Equestrian-related Activities
5. Existing Businesses (in general)
6. Golf Courses (with/without Age-restricted Housing)
7. Industrial - Small Operations
8. Local Retail Services

Then we wrangled with a difficult question – how much real work is the EDC capable of? All but one of us is a parent and employed, with little discretionary time, particularly during the work day, for pursuing business development. Can we really take on the work of promoting and fostering eight different types of businesses? We agreed to further pare down the list to a realistic size.

### ***What We Decided, and Why***

Each of us individually ranked each of the eight candidate businesses based upon the following criteria:

- Cost to town
- Revenue to town
- Rural character
- Likelihood of success
- Contribution to a theme

The rankings were tallied. We then decided to focus on just the top three business types, at least initially. This is not to imply that the EDC will ignore or be an obstacle to other types of business opportunities that may emerge.

#1: The single most important focus for the EDC is the businesses already existing in town.

Steps in this direction include:

- Visit individually with local business owners, discuss obstacles to their growth, and find ways for the EDC to help.
- Meet individually with landowners of industrial, business, and highway commercial-zoned land to discover their interests and to look for ways that we might promote and assist sale to local business owners.
- Set aside an early part of every EDC meeting for discussion with business owners and landowners. Proactively solicit their attendance and involvement.
- Establish a program of writing articles about selected businesses in *Our Town* and *The Lyme Times*.

#2: The second focus is a subset of the first choice – equestrian-related businesses already in town. Salem already has about 15 horse farms; a single large-animal veterinary clinic supporting three vets; a feed, grain, and tack shop; one large and several small haying operations; and a very successful leaser of horse-show equipment. CERC had advised us to look for a theme – some class of businesses that are already established for which Salem could become known. This is a common, successful technique of rural communities. We felt that promoting equestrian-related activities satisfied four strong principles: grow from within, promote a theme, keep Salem rural, and render reasonable taxes at little cost. Initial steps in this direction are:

- Form an Equestrian Committee comprised of equestrian-business owners and at least one EDC member.
- Establish relationships with equestrian organizations and the state Department of Agriculture for assistance in promoting Salem as an equestrian center in Connecticut.
- Explore developing a network of riding trails in town.
- Look for opportunities across a broad range of equestrian activities, not just the most obvious (horse boarding, breeding, and riding).

#3: The third focus is technically not a business, but is certainly a technique to help balance the tax base; it is to promote age-restricted cluster housing. "Age restricted" means housing for people 55 years or older. (This is to be differentiated from "assisted living housing," which is designed for elderly people with substantial medical and transportation needs.) "Cluster housing" is a zoning strategy that permits houses to be closer together than conventional two-acre zoning allows, and requires a single, large, open space. Age-restricted cluster housing has



boomed in the past few years as the nation's 55-and-older population has multiplied. This population seems to be looking for smaller houses, in a social setting, with scenic beauty, and isolated from congestion. The concept is becoming increasingly popular, particularly in rural communities.

The advantage to a town is strong tax revenue at little cost, plus retention of some open space. The 55-and-older population does not have children to put through school and is generally financially comfortable, while cluster housing requires less road maintenance per household, less refuse disposal per household, and less water demand per household. Cluster zoning is already part of our zoning regulations, although there may be a need to make minor modifications. Major steps toward this goal include:

- Better educating ourselves about age-restricted housing and cluster housing experiences in other towns, particularly on legal issues.
- Revising Zoning Regulations carefully.
- Marketing Salem through the Web and real estate venues as a proponent of this type of housing.

### ***How To Carry Out This Plan***

Initially, we foresaw the need to ask for a budget large enough to support a part-time Economic Development Coordinator. We imagined this person to be a retired commercial real estate agent or developer, an expert in the details of business development, and with sufficient time to market the town, do the research, establish and maintain contact with existing businesses and landowners, attend town meetings, and coordinate between business developers and town officials. However, the First Selectman convinced us that this could be risky (the hired person might not be from, familiar with, or particularly interested in Salem); would cost considerable money, which is currently tight; and that, frankly, it is the proper job of the First Selectman, as there should be no one more familiar with the residents, businesses, boards, commissions, policies, and processes. So we concurred that some money must be requested for assistance to the EDC and First Selectman on an as-needed basis, but that hiring a Coordinator is unnecessary because we already have one.

Consequently, the role of the EDC is to execute this plan by:

- Overseeing the economic development process, providing guidance, requesting and justifying sufficient funding to execute this plan, and reporting progress;
- Establishing and assisting an Equestrian Committee;

- Assisting the First Selectman in carrying out minor tasks related to economic development initiatives;
- Providing a sounding board and voting body for economic development decisions not in the charter of other boards and commissions or requiring a town meeting; and
- Hiring and managing outside consulting and research services on an as-needed basis.

# I. Introduction

## Purpose, Process, and Guiding Principles

### **Purpose**

In February 2002, the Town of Salem approved the 2002 Plan of Conservation and Development. This plan set the following economic development goal:

*"Diversify and balance the tax base by assisting current Salem businesses to expand and by encouraging businesses that are compatible with the rural character of the town to locate in Salem."*

In support of this goal, it set the following objective:

*"Create a long-range Economic Development Plan for Salem,"* calling on the Board of Selectmen and the Economic Development Commission to jointly develop this plan.

### **Process**

Toward that end, a committee was formed, comprised of six members. They were:

- Peter Sielman, First Selectman, representing the Board of Selectmen and the Route 11 Greenway Authority Commission
- Stuart Gadbois, successful Salem farmer
- Dave Burnett, successful Salem businessman
- Bruce Kirk, retired Wall Street financial manager, representing both EDC and the Board of Finance
- Leon Miller, representing both EDC and Planning & Zoning
- Brian Miller, representing CERC (Connecticut Economic Resource Center), a nonprofit economic development consultancy funded by Connecticut utility and telecommunications companies, as well as consulting fees.

Several members of the EDC also attended several of the sessions, including Gary Walter, Victor Vesnaver, and Gerald Nikirk.

This committee was called the "Stakeholder Committee" because it intentionally spanned a variety of perspectives, all with vested interest in Salem's economic development. It met monthly between February and August of 2003, and was ably facilitated by Brian Miller, who has considerable experience in rural community development.

Our first meeting was to articulate our vision, goals, and guiding principles for economic development in Salem.

Our second and third meetings were to brainstorm as many ideas as possible about kinds of businesses that might be successful in Salem. This list identified 20 potential industries of interest. Brian Miller took these ideas back to CERC headquarters, and, with the help of CERC staff, researched each idea against the following parameters: general locational requirements, labor force requirements, potential impact on community character, potential impact on Salem's grand list, specific site requirements, and applicability to Salem. Also during this time, the CERC staff was conducting a general economic analysis of Salem and New London County.

During the fourth meeting, the committee reviewed CERC's economic analysis and the analysis of each of the 20 businesses. We then whittled the list to the top eight business candidates. CERC performed additional analysis on these eight.

At the fifth meeting, we reviewed CERC's input, then individually ranked each of the candidates on the basis of four considerations:

- Expected revenue to the town (high, medium, or low)
- Expected cost to the town (high, medium, or low)
- Preservation of rural character (high, medium, or low)
- Likelihood of success (high, medium, or low)

At the sixth and final meeting, Brian Miller presented CERC's first draft of this plan, which was reviewed and commented on by the members. Subsequent to the final meeting, CERC delivered a second draft, which was reviewed and commented on by several of the committee members. This final draft has been approved by all members of the Stakeholder Committee.

## ***Guiding Principles***

During the first meeting, the committee sought to articulate the principles that should guide our thinking. They are:

- Seek economic growth opportunities first within the existing businesses already in Salem, rather than focusing on new businesses, particularly ones that might compete with existing businesses.
- Do not seek a single, large business to settle in Salem in hopes of a major tax burden shift. These businesses are rare, highly sought after, frequently contentious, and sometimes (due to tax abatement and other "wooing" techniques) do not return investment back to a town for years.
- Seek economic opportunities that promote a theme for which Salem can develop a reputation, and which can attract a regional clientele.
- Seek economic opportunities to shift the tax base proportion from the current 94% residential and 6% commercial to 90% residential and 10% commercial.
- Seek economic opportunities that maintain Salem's rural character.
- Seek economic opportunities that do not depend on town sewer, town water, fiber-optic trunk lines, a large and hungry labor force, or, for the time being, a major highway, because these are currently unavailable in Salem.
- Seek outside, expert counsel on the impact of the Route 11 completion. It should be assessed and re-assessed as developments occur, because of its strong potential economic impact.

## II. Demographic Analysis

### **Analysis of Salem's Demographic and Economic Base**

The economy of any municipality is highly dependant upon the general economy of the state or region. Therefore, overall economic trends need to be understood in devising a local economic development strategy. A successful local economic development strategy will “harness” the regional trends, and include methods to capture a share of projected regional growth.

We analyzed the trends of the regional economy to determine a viable economic development strategy for Salem. The regional analysis took a two-pronged approach. Middlesex and New London counties were identified as the region with the greatest economic influence over Salem. A more localized region, known as rural southeast-central Connecticut, was also identified as a group of 11 nearby communities with similar economic characteristics to Salem. These communities were used as a point of comparison, to asses Salem's relative position in the local economy. The analyses of both areas led to the identification of economic trends and characteristics of the labor force that enabled Salem to choose an economic development strategy.

Appendix A contains the detailed analysis of Salem's demographic and economic base. Regional economic and demographic trends were analyzed to determine potential economic development opportunities within the town. The analysis led to the following findings that are potentially relevant to economic development efforts.

#### ***Educational Attainment***

- A higher share of Salem's population holds post-graduate degrees than the state, Middlesex and New London counties, and other towns in the local region.
- 41 percent of Salem's residents who are 25 or older have a college degree, and 14 percent of those have an advanced degree.

## ***Occupations and Employment***

- 45 percent of Salem's residents work in managerial or professional jobs, which is higher than the other regions listed above.
- The other occupations with the highest relative concentrations include residents who classified themselves:
  - in farming, fishing or forestry occupations;
  - as business operations specialists;
  - as architects, surveyors, cartographers, and engineers;
  - in educational occupations.
- The following occupations are the largest components in Salem's labor pool:
  - Business and financial operations
  - Architects, surveyors, cartographers, and engineers
  - Life, physical, and social science occupations
  - Educational, training, and library occupations
  - Firefighting and law enforcement occupations
  - Arts design, entertainment, sports, and media occupations
  - Construction trade occupations

## ***Labor Force***

- Since 1990, Salem's labor force has grown faster than the state, as well as the total for the 11 towns in the rural southeast-central Connecticut region.
- Salem's unemployment rate remained very close to Connecticut's during the 1990s, although recently it has been a half of a percentage point or more below the state's.

## ***Employment***

- Employment in Salem increased from 100 in 1979 to 850 in 2001.
- By industry, employment growth between 1995 and 2001 in Salem has entirely been in the service industries. In fact, employment in these industries doubled from 150 to 300.
- Retail trade employment grew from 70 to 300 in the same six years.

## ***Regional Industrial Analysis***

This analysis compared employment, total earnings, earnings per employee, gross regional product (GRP) and a measure of output and productivity (GRP per employee) for slightly more than 350 industries for Middlesex and New London counties.

- Miscellaneous amusement and recreational services (primarily the casinos) is the largest industry in the region with more than 22,000 employees. This industry also has a relatively high concentration in the two counties and has grown rapidly since 1990.
- Manufacturing of pharmaceuticals, ship and boat building and repairing, utility electric services, and medical offices are some of the larger industries that are regionally important when measures of wealth and productivity are considered.
- Manufacturing of pharmaceuticals, wholesale trade of pharmaceuticals, computer and data processing services and manufacturing of fabricated metal products are some of the larger industries in the region that have also grown since 1990.

## ***Total and Regional Industry Inputs***

- Nearly \$400 million of the \$622 million inputs for the pharmaceuticals industry are estimated to be from local industries within the two-county region.
- \$234 million, or nearly 50 percent, of all inputs for the amusement and recreational services industry are estimated to be purchased from local industries.
- The aircraft and missile engines and parts industry spends an estimated \$220 million on inputs from industries within the two-county region.

## ***Industry Distribution in Salem 2002***

- Salem has a large share of establishments in the agriculture, mining, and construction industries, primarily due to a high number of construction businesses in the town.
- The retail industry in Salem is concentrated in food, miscellaneous shopping, hardware, and restaurants and bars.



### ***Nursery and Greenhouse Crop Sales***

- Sales of nursery and greenhouse crops in the nine Northeastern states have increased more than 240 percent since 1982, while overall sales in agriculture crops have risen by only 33 percent.

### ***Horses and Horse-Farm Data***

- The data on the number of horses in the state is incomplete because the most comprehensive horse census collects only farm-based data (horses only on registered farms are counted). However, from that data, we can see that on a per-square-mile basis, horses are much more concentrated in Connecticut than in the rest of the U.S.
- Middlesex County has, on average, slightly more than four horses per square mile.

### III. Impact of Route 11 Extension

One of the most significant changes facing the town is the potential completion of Route 11. Route 11 is a limited-access, four-lane expressway that begins at the interchange of Route 2 in Colchester, extending southward into Salem and terminating at Route 82, approximately one mile west of the intersection of Route 85. The original intent was to have the expressway provide direct access between Hartford and the New London area via an extension that would intersect with Interstate 95. However, funding was not available for the completion of the road, and this gap in the state highway system has remained for over 30 years.

After the construction of the existing highway during the early 1970s, the completion of Route 11 was suspended. Since then, southeastern Connecticut has experienced an economic resurgence, and the need for the completion of the missing gap within the road network has grown. In response to this projected need, the Federal Highway Administration and the Connecticut Department of Transportation have re-instituted the project.

The current traffic pattern is that vehicles traveling from Hartford exit Route 11 at its current terminus, go east on Route 82 and then south on Route 85, with the reverse for New London to Hartford traffic. Much of this is commuter traffic, most of which neither starts nor ends in Salem. The impact is that all of this through traffic currently travels on a portion of Salem's main north-south road through the principal business district of Salem (the "Four Corners" area around the intersection of routes 82 and 85).

The completion of Route 11 (which will not happen earlier than 2009) will substantially impact:

- The Four Corners business establishments;
- The viability of the industrially and commercially zoned properties situated at the Route 11 interchanges at Route 82 and Witch Meadow Road;
- The accessibility of Salem from other parts of New England; and
- The quality of life.

### ***The Four Corners Business Establishments***

The Four Corners area is the primary retail area of Salem. It currently serves a dual purpose, providing goods and services to both the local market, as well as servicing the commuters and other travelers that are diverted off Route 11. This commercial area is currently a collection of small commercial buildings. Several of them are designed for multi-tenant use, with retail uses on the ground floor and office space upstairs. The area is currently somewhat under-utilized, with some of the ground-floor retail units being used instead as office space.

The completion of the Route 11 expressway will remove much of the through traffic from the Salem Four Corners area. However, there is no reason to expect that the Four Corners will become a blighted area. The following impacts are expected:

- There will be a serious reduction of through traffic, but a slightly less serious reduction in through-traffic-based business, as some commuters will still diverge to a favorite spot. (For example, for years, Route 2 was fought to protect "Harry's Place" a popular hot-dog stand in Colchester. Yet, the completion of Route 2 has had no long-term effect on the business, because customers are willing to divert just to eat there.) However, the reduction of through traffic may result in the closure of several businesses that derive a large segment of their income from through-traffic and are unable to adapt to the shift to a locally based market.
- Other businesses, which are less dependent on through traffic, will be able to adjust their goods or services to emphasize a locally based market.
- Gradually, the loss of the traveler-based market will be offset by the growth of a locally based market, stemming from population growth and the ability to improve pedestrian access by the elimination of through traffic. Improvements to the aesthetics and pedestrian circulation will assist in the successful transition of the Four Corners area to a locally based retail center.
- The existing under-utilization of properties makes it unlikely that there will be significant additional commercial construction within this area in the foreseeable future. Any significant residential and economic growth should result in a more efficient utilization of existing properties.

- The effect on town taxes is expected to be a minor loss initially, while businesses adapt to the shift in clientele. (Small retail businesses have only a minor effect on town taxes because they tend to have little taxable personal property.) Within several years after Route 11 completion, the shift is expected to be completed, and the small dip in tax revenue to disappear.

### ***The Viability of the Industrially and Commercially Zoned Properties***

When Route 11 was designed in the late 1960s, the exit at Witch Meadow Road was created specifically to support industrial and commercial activity at that intersection. In a like manner, the properties around the interchange at Route 82 have been zoned highway commercial. The 2002 Plan of Conservation and Development confirmed these areas as primary areas for future economic development.

Development has been slow at the Route 82 interchange (Exit 4) and non-existent at the Witch Meadow Road interchange (Exit 5). A major contributor to this lack of development is the poor access to New London and Interstate 95 offered by the Route 82/85 detour. From the southern terminus at Exit 4, a traveler must maneuver one stop sign, three right angle turns, and 12 traffic lights before getting onto Interstate 95 eastbound – a trip that can take from 20 minutes to 40 minutes, depending upon congestion.

In contrast, upon the completion of Route 11, a traveler will reach Interstate 95 after traveling 8.5 miles (9.3 minutes at 55 mph) with only one intervening interchange and no traffic lights on a limited-access, arterial highway.

For businesses contemplating location in Salem along Route 11, this difference represents a vital time and cost saving, and would make the businesses easy destinations for customers, employees, and suppliers.

As businesses become increasingly computer-dependent, access to high-speed, fiber-optic lines becomes an growing business demand. The completion of Route 11 would permit easy routing of an underground fiber-optic trunk line from Interstate 95 up to Salem. This poses a powerful economic opportunity for Salem. Initial discussions with SBC SNET (Southern New England Telephone) have occurred.

It is expected that once Route 11 completion is approved and funded, commercially zoned land along Route 11 will jump in value and business activity will begin. It will not wait for highway completion before commencing.

### ***The Accessibility of Salem From Other Parts of New England***

The completion of the Route 11 expressway will make Salem more accessible to many of the employment centers of southeastern Connecticut. This could increase the residential demand within the town, leading to increased residential development.

While the industrial and commercial areas at the interchanges of Route 11 will benefit from direct access (almost no travel on local streets) to Hartford and the Port of New London, the completion of Route 11 will also make all parts of Salem easily accessible from Interstate 95, from both the Boston and New York directions, with just a short drive on local roads.

### ***The Quality of Life Enhancement***

A substantial portion of Salem's residents live on the detour between the current southern terminus of Route 11 and the Montville town line, or in developments whose only entrance and egress is onto this detour. At peak daily commuter times and, particularly on summer weekends, the detour is lined with near-bumper-to-bumper traffic, making right turns into the flow of traffic frustrating and making left turns dangerous.

Walking, jogging or bicycle riding on the detour portions of Routes 82/85 is dangerous.

The completion of Route 11 will effectively alleviate these problems, enhancing the value of residential real estate and make Salem a more desirable place to live and work.

In a similar manner, the through traffic that is commuting or traveling to recreational areas will find their trips made shorter and safer.

## IV. Economic Development Focus

### Assessment of Economic Development Focus

The committee articulated its vision of economic development: to increase the non-residential component of the tax base to 10%, in a manner that preserves and enhances the rural character of the community. The economic base analysis identified the economic trends impacting the region and community, but much of the economic development potential of a rural community falls under the radar of a conventional economic base analysis, and a more subjective analysis is appropriate. Therefore, we brainstormed then evaluated the following 20 potential business categories for the consideration of the committee. They are listed below in alphabetic order only, because as of yet there was no attempt at rank-ordering.

21. Age-Restricted Cluster Housing
22. Agriculture – Ornamental Horticulture
23. Agriculture-related Retail
24. Agriculture – Service Retail
25. Agriculture – Specialty Crops and Animals
26. Agriculture – Traditional
27. Bed and Breakfast Establishments
28. Camps
29. Campgrounds
30. Equestrian-Related Activities
31. Existing Businesses (in general)
32. Fish and Game Supply – Retail
33. Golf Courses
34. Home-Technology Occupations
35. Industrial – Small Operations
36. Information Storage (“Server Farms”)
37. Local Retail Services
38. Quarries
39. Self Storage
40. Travel Services

(The full analyses of these categories are in Appendix B.)

The committee reviewed the 20 potential opportunities and selected the following eight for additional analysis:

1. Age-Restricted Cluster Housing
2. Agriculture – including Specialty Crops, Traditional, Ornamental and Agricultural-related Retail.
3. Campgrounds
4. Equestrian-Related Activities
5. Existing Businesses (in general)
6. Golf Courses
7. Industrial – Small Operations
8. Local Retail Services

Additional analysis was done by CERC. The committee evaluated the additional analysis; assessed the EDC's resources in terms of manpower, expertise, time, and finances; then came to the final list of business types to focus on:

1. Existing Businesses (in general)
2. Equestrian-Related Activities
3. Age-Restricted Cluster Housing

## V. Plan of Action

### ***General Activities***

The following actions are recommended to provide the basis for Salem to enhance its economic development program:

1. Present the Plan for acceptance by the Economic Development Commission, Board of Selectmen, Planning and Zoning Commission, Board of Finance and any other town board or commission that may have a role in its successful implementation.
2. Review and revise the zoning regulations as appropriate to ensure that they permit business activities recommended in this study.
3. Foster a business-friendly approach by municipal regulators towards existing and potential businesses within the community. With the recognition that all regulations must be adhered to, encourage a problem- solving approach.
4. The town needs to devote adequate resources to its economic development efforts. While the First Selectman will be the primary person to promote economic development within the town, with assistance from EDC members, some outside assistance will be needed to implement the recommended strategies, perform necessary promotions, and conduct special studies among other activities. In performance of his duties, the First Selectmen, with necessary EDC assistance, should recruit businesses, market the town, work with property owners to bring in appropriate economic development projects, and serve as ombudsmen for existing and potential businesspeople that have problems or issues with the town.
5. The town should work with providers to assure that high-speed telecommunications services are available to the businesses and residents of Salem.
6. Upgrade the town Web site to reflect the new economic development approach.



7. The completion of Route 11 is important to the economy of Salem and the region. The town should support this project.
8. The role of the EDC is to execute this plan by:
  - a. overseeing the economic development process, providing guidance, requesting and justifying sufficient funding, and reporting progress;
  - b. establishing and assisting an Equestrian Committee;
  - c. assisting the First Selectman in carrying out minor tasks related to economic development initiatives;
  - d. providing a sounding board and voting body for economic development decisions not in the charter of other boards and commissions or requiring a town meeting; and
  - e. hiring and managing outside consulting and research services on an as-needed basis.

### ***Promoting Existing Business Growth***

Promotion of the growth of the existing businesses needs to be the backbone of Salem's economic development program. The town should initiate a business-support program that includes the following measures:

1. The Economic Development Commission should invite individual business owners to their meetings. This would give the commission the opportunity to learn about the local businesses and hear of any concerns or problems.
2. The Economic Development Commission should have articles written periodically about Salem businesses. This may be done in cooperation with a local newspaper or the quarterly *Our Town Salem*.
3. The town should initiate a business visitation program. The First Selectman and members of the Economic Development Commission should visit businesses in town on a regular basis. These meetings would serve several purposes:
  - a. It would be a strong indication that the town is not indifferent to the needs of business.

- b. The business owners should be encouraged to discuss any problems that they may be facing. This provides an early indication of both problems and opportunities, and enables the town to be proactive, rather than reactive.
  - c. It should include a detailed discussion of whether or not the business owner seeks to expand the business. If the desire to expand exists, the meeting should detail exactly how the business owner wishes to expand, what the perceived impediments to growth are and what, specifically, the town can do to aid the expansion.
- 4. The First Selectman and EDC leadership should report on their findings to the relevant boards and commissions and, where appropriate, to the Building Department.
- 5. Since the growth of one business may impact the growth of related businesses, the First Selectman and EDC members should take responsibility for disseminating information about expansion plans at the appropriate time based upon coordination with the business owner.

### ***Promoting Age-Restricted Cluster Housing***

Demographic trends in Connecticut and throughout the nation have created a demand for housing for residents age 55 and older. There are many developers seeking to construct this type of housing.

- 1. The zoning regulations appear basically adequate to accommodate this type of housing, except for the two-bedroom limitation. Many developers that are oriented towards upscale housing prefer to offer an additional room, although it may be referred to as an office or a den.
- 2. The lack of utilities, specifically sanitary waste disposal systems, could be a limitation to this type of development. Sanitary disposal can be on a per-unit basis or, more likely, through the use of a community system. The town regulations should ensure, as much as possible, that the potential failure of the system not become a municipal responsibility.

3. The zoning regulations should require that useable open space or recreational areas be provided within active adult developments. This will help provide a desirable living environment for the residents, as well as assure a certain minimum quality standard.
4. Require visual screening or use of grade or natural vegetation to soften the image of these developments from the road.
5. Incorporate architectural design standards into the regulations.

### ***Promoting Equestrian-Related Activities***

The goals would be to position Salem as a potential equestrian center for southern New England and to promote the growth of equestrian-related activities within the town.

1. Conduct an inventory of equestrian-related business in town.
2. Establish an Equestrian Business Promotion Advisory Committee to advise the Economic Development Commission and other agencies of the town in the matters of promoting the growth of equestrian-related business activities within the town. The committee would encompass individuals who are currently involved in equestrian-related businesses and activities, and include members of the Economic Development Commission and other town agencies.
3. Establish relationships with equestrian organizations in Connecticut and throughout southern New England. Market Salem as a community enthusiastic about equestrian businesses and activities.
4. Market Salem as an equestrian community. This may involve developing a marketing plan to reach the targeted audiences. The marketing can include many tactics, dependant upon budget, such as brochures and public relations strategies, to reach equestrian enthusiasts, businesses and investors.
5. Establish a relationship with the state Department of Agriculture and make them aware of the town's interest in promotion as an equestrian center. They are sometimes aware of programs or activities that may be available.

6. Utilize the state Department of Agriculture signage program. DOA, in cooperation with the Department of Transportation, produces signs for cost to direct visitors to various farms.
7. The Pequot and Mohegan nations appear to be seeking to broaden their businesses as tourism-based destinations. They may be interested in a certain level of participation in the development of an equestrian center.
8. Promote and encourage the development of a network of equestrian trails throughout the town. This should include the greenway along the proposed Route 11 extension, with linkages to key open space areas throughout the town. Efforts should be made to link the equestrian trails through town with the state bridal trail in Colchester.
9. Expansion of campgrounds would be a complementary business activity to an equestrian center.
10. The zoning regulations currently permit veterinary hospitals or boarding stables by special exception. Additional businesses that should be permitted by special exception include:
  - a. Retail businesses, such as tack shops that cater to equestrians, may be permitted along state highways or when associated with another equestrian-related activity.
  - b. Inns or similar facilities, when in conjunction with a riding stable.
  - c. Development of residential resort facilities, in conjunction with riding facilities.
  - d. Production and sale of products for equestrians, with suitable safeguards to ensure that the facility is compatible with the rural environment. These safeguards can include limitations on traffic, number of employees, hours of operation, size of building used for production, etc.
  - e. Review requirement of setback of buildings containing animals of 100' from all property lines.
  - f. Restaurants or dining halls as an accessory to an equestrian-related special exception use.
  - g. Equestrian centers (should be specifically defined).

11. The zoning regulations could also be amended to permit the development of an equestrian-oriented residential or tourism-based community. The residential development standards would be similar to the open space residential standards. The equestrian tourism-related development might include a hotel or inn, or residential units in a common interests (condominium) community. The staff could also seek or solicit development of this type on the appropriate parcels.
12. Requirements of 4.1.4 of the zoning regulations may have to be amended to allow for other potential horse-farming activities.
13. The development of a major equestrian center would further advance the emerging role of Salem as the equestrian community of Connecticut. Because this is speculative at this time, the town should concentrate its resources to implement the above-mentioned recommendations. However, at some point, the town should begin to investigate the feasibility of promoting the development of a major equestrian facility within the town. This could be done through the following measures:
  - a. Identify the specific requirements for the development of an equestrian center. This should be based upon demand, the success of similar facilities elsewhere in the country and the maintenance of the rural character of the community.
  - b. If the development of an equestrian center is determined to be potentially feasible, a potential site should be investigated. The site should be located on one of the state highways, not far from one of the Route 11 interchanges.
  - c. The town should begin to solicit the interest of developers and other potentially interested parties.
  - d. Participation by the state may be appropriate under certain circumstances. A proposal was submitted to the Department of Agriculture several years ago for state funding. That proposal envisioned a large facility, for potential location at the Meadows site in Hartford. However, a smaller more specialized facility may be feasible and could be located within Salem.

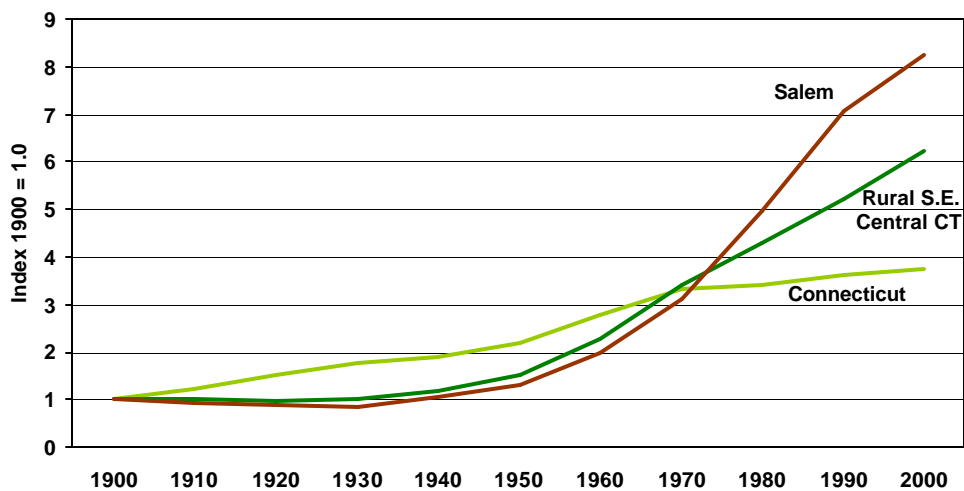
# Appendix A

## Analysis of Salem's Demographic and Economic Base

### Population

- Salem's population declined from 468 in 1900 to 403 in 1930.
- Between 1960 and 2000, Salem's population increased from 925 to 3,858, much more rapidly than the state and the other rural towns in the area.

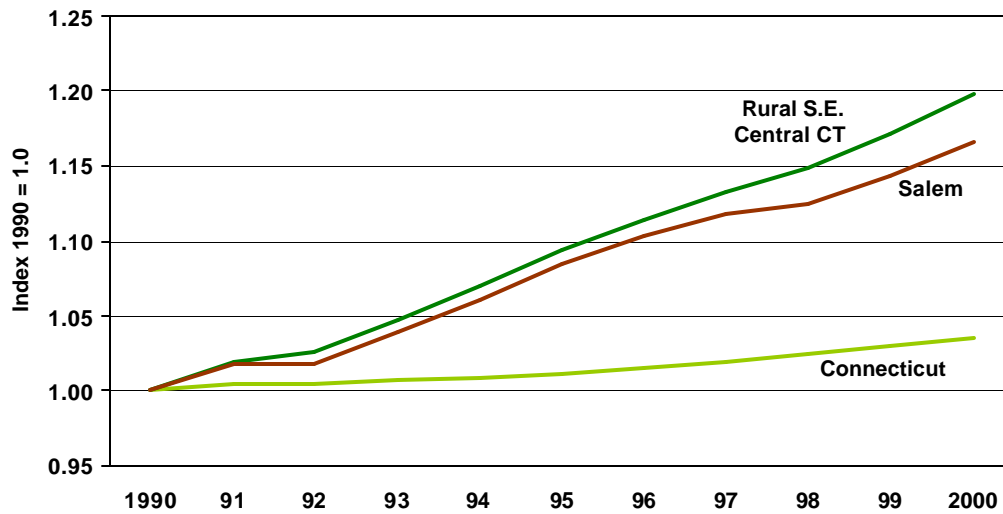
Population Growth Since 1900



Source: U.S. Census Bureau

- Population growth in Salem during the 1990s has been much slower than earlier decades and has in fact been slightly below the overall growth in other nearby rural towns.

**Population Growth, 1990-2000**

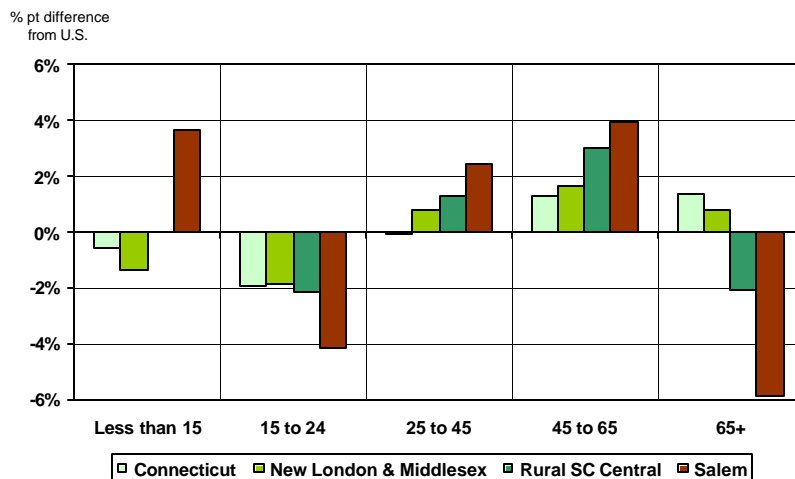


Source: U.S. Census Bureau

## Age Cohorts

- Salem's median age in 2000 was 37.1, about the same as New London County's 37.0, more than a year younger than Middlesex County's 38.6, and slightly below the median age for Connecticut's 37.4. However, the distribution by age cohort for the populations of the regions was different.
- At 7%, Salem's share of its population 65 or older is smaller than any of the other regions. (Nearly 6 percentage points below the share for the U.S.)
- Salem has a larger share of young people than the other regions, as well as larger shares for the 25 to 45 and 45 to 65 age groups, suggesting a strong family-type age cohort structure.

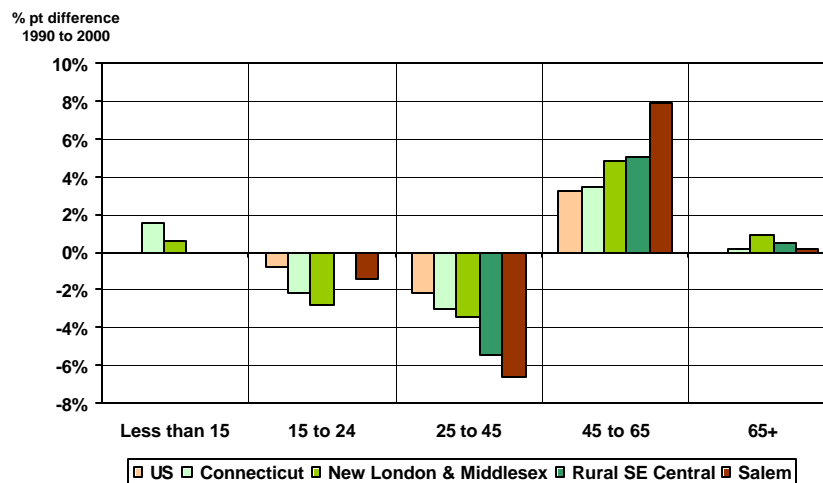
**Percentage Point Difference in Age Cohort Shares From the U.S., 2000**



Source: Census Bureau, 2000 Census (SF 3)

- Salem experienced a much higher growth in the 45 to 65 age cohort than the state, the two counties, and the towns in the local region.

**Percentage Point Change From 1990 to 2000 in Age Cohort Shares**



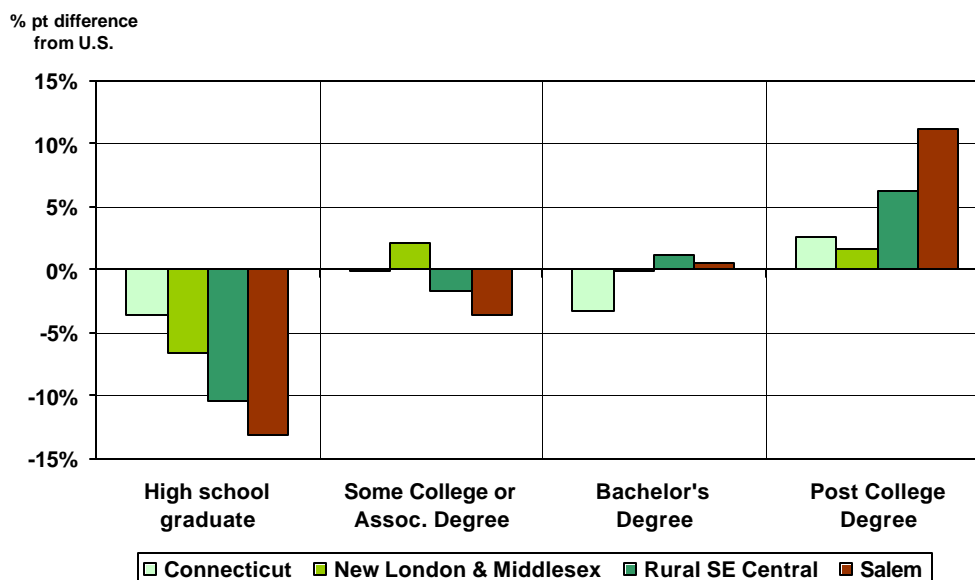
Source: Census Bureau, 2000 Census (SF 3)



## Educational Attainment

- A higher share of Salem's population holds post graduate degrees than the state, Middlesex and New London counties, and other towns in the local region.
- 41 percent of Salem's residents who are 25 or older have a college degree, and 14 percent of those have an advanced (post-college) degree.
- Only 7 percent of Salem's population (25 or older) has not graduated from high school. This compares favorably to the 9 percent for the local area, the 13 percent for Middlesex and New London counties, the 16 percent for Connecticut, and the 20 percent for the U.S. as a whole.

**Percentage Point Difference From U.S. in Shares of Highest Educational Level Attained, 2000**

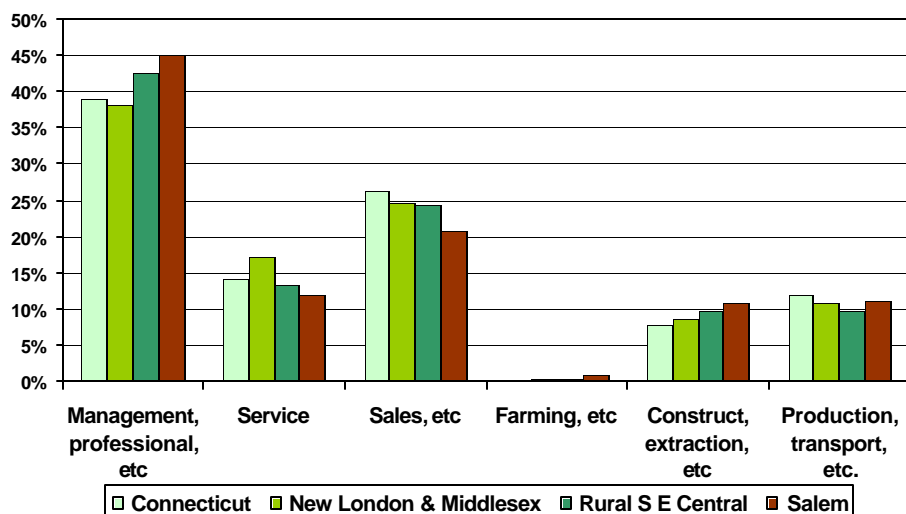


Source: Census Bureau, 2000 Census (SF 3)

## Occupations

- 45 percent of Salem's residents work in managerial or professional type jobs, which is higher than the other defined regions and the state.
- The next largest share is sales and office-type occupations, in which Salem's share is 3 to 5 percentage points lower than the other regions considered.
- Salem's residents are also more likely to be employed in farming, construction and extraction, and production and transportation occupations than the other regions of Connecticut.
- 

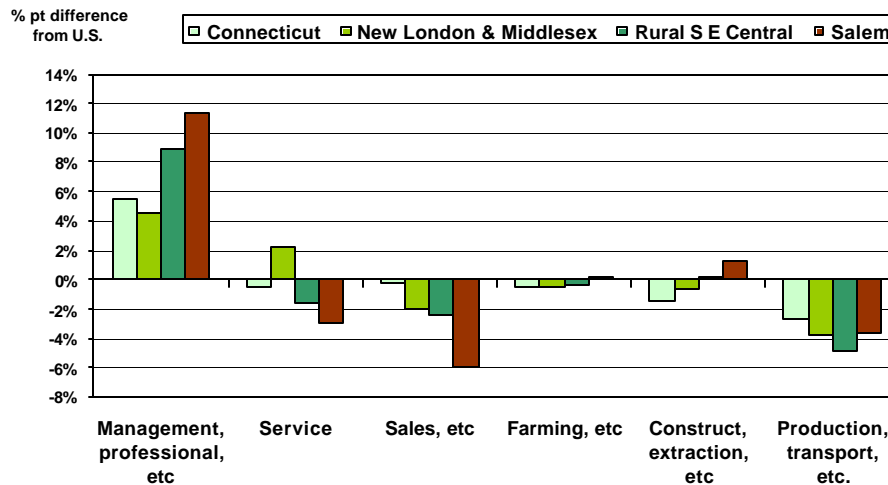
**Occupational Distribution of Residents, 2000**



Source: Census Bureau, 2000 Census (SF 3)

- The share of Salem's residents in the management and professional occupations is more than 11 percentage points above the nation, and the share of construction and extraction is a percentage point higher than the nation.

### Percentage Point Difference in Occupations From the U.S., 2000



Source: Census Bureau, 2000 Census (SF 3)

- When compared to the overall occupational structure for Connecticut, Salem has a relatively high concentration in the occupations shown in the table below.
- The highest concentration of occupations relative to Connecticut is for supervisors and workers of transportation and moving occupations. With 21 workers, Salem has 12 times as many as the town would if it had the same share as the state.
- The other occupations with the highest relative concentrations include: residents who classified themselves in farming, fishing, or forestry occupations; business operations specialists; architects, surveyors, cartographers, and engineers; and educational and professional-related occupations.

### Significant Occupations in Salem: 2000

Occupation	Measure of Relative Concentration (CT Based)			Salem	
	2 County Region	Rural S E Central	Salem	No.	Percent of Total
Managers: Farmers & farm	1.75	1.33	1.45	12	1%
Business & financial operations	0.73	1.60	1.49	165	8%
Business operations specialists	0.77	1.40	1.93	96	4%
Architects, surveyors, cartographers, & engineers	1.49	1.26	1.41	102	5%
Life, physical, & social science	1.62	0.94	1.50	65	3%
Education, training, & library	1.07	1.02	1.53	226	11%
Arts, design, entertainment, sports, & media	1.04	0.86	1.27	52	2%
Fire fighting, & law enforcement	1.19	0.71	1.50	33	2%
Farming, fishing, & forestry occupations	1.54	1.12	1.79	18	1%
Construction trades workers	1.06	1.08	1.28	136	6%
Transportation & material moving occupations:	0.99	0.77	1.29	100	5%
Supervisors & workers transportation & moving	0.82	0.67	12.19	21	1%

Source: U.S. Census Bureau

- For a town the size of Salem, the number of employees in the occupations is also important. Thus, the following occupations are important components in Salem's labor pool:
  - Business and financial operations
  - Architects, surveyors, cartographers, and engineers
  - Life, physical, and social science occupations
  - Education, training and library occupations
  - Fire fighting and law enforcement occupations
  - Arts design, entertainment, sports, and media occupations
  - Construction trade occupations

### ***Commuting Patterns: 2000***

- 75 percent of Salem's residents 16 and older who work, work in New London County.
- 15 percent work in New London and Norwich.
- 11 percent work in Salem, and 3 percent (74 people) work out of their homes.
- 24 percent commuted less than 20 minutes to their jobs, and another 35 percent commuted between 20 and 30 minutes.

Commuter Data, 2000

Variable	Salem	
	Total	Percent
16 years and older Total	2153	
Work in state	2121	99%
Work in county of residence	1613	75%
work outside county of residence	508	24%
Work out of state	32	1%
Work in New London/Norwich CT MSA area	1521	71%
Work in New London/Norwich CT	315	15%
Work outside of New London/Norwich but in MSA	1206	56%
Work outside of New London/Norwich MSA	632	29%
Working in another MSA/PMSA	591	27%
Working in another MSA/PMSA. Central City	139	6%
Working in another MSA/PMSA. Not central city	452	21%
Not working in MSA/PMSA	41	2%
Worked in Salem	233	11%
Worked outside of Salem	1920	89%
Commuters	2079	97%
Under 5 min	45	2%
5 to 9 min	111	5%
10 to 14 min	146	7%
15-19 min	214	10%
20 to 24 min	511	24%
25 to 29 min	230	11%
30 to 34 min	345	16%
35 to 39 min	97	5%
40 to 44 min	83	4%
45 to 59 min	158	7%
60 to 89 min	134	6%
90 plus min	5	0%
Work at home	74	3%

Source: U.S. Census Bureau, 2000 Census

- In 1990, 284, or 16 percent, of the residents in Salem commuted to New London.
- Ten percent of Salem's residents worked in Salem.

**1990 Salem Commuter Data**

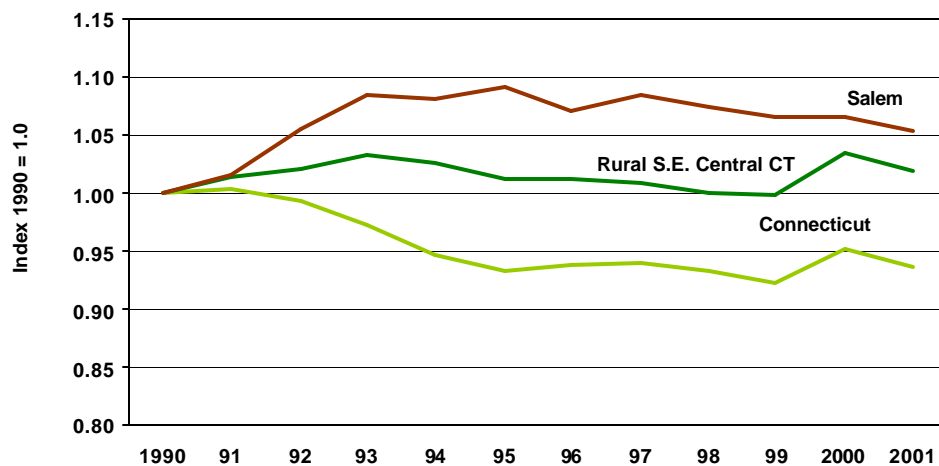
<b>Town of Work</b>	<b>Commuters</b>	<b>Percent</b>
New London	284	16%
Groton	240	14%
Norwich	190	11%
Salem	168	10%
Waterford	139	8%
Hartford	104	6%
East Lyme	86	5%
Colchester	75	4%
Montville	75	4%
Old Saybrook	33	2%

Source: U.S. Census Bureau

## Labor Force

- The number of residents in Salem in the labor force peaked in 1995 at slightly more than 2,100.
- Since 1990, Salem's labor force has grown faster than the state, as well as the total for the 11 towns in the rural southeast-central Connecticut region.
- Between 1990 and 2001, the labor force grew by 106 (5.5%) from 1,936 to 2,042.

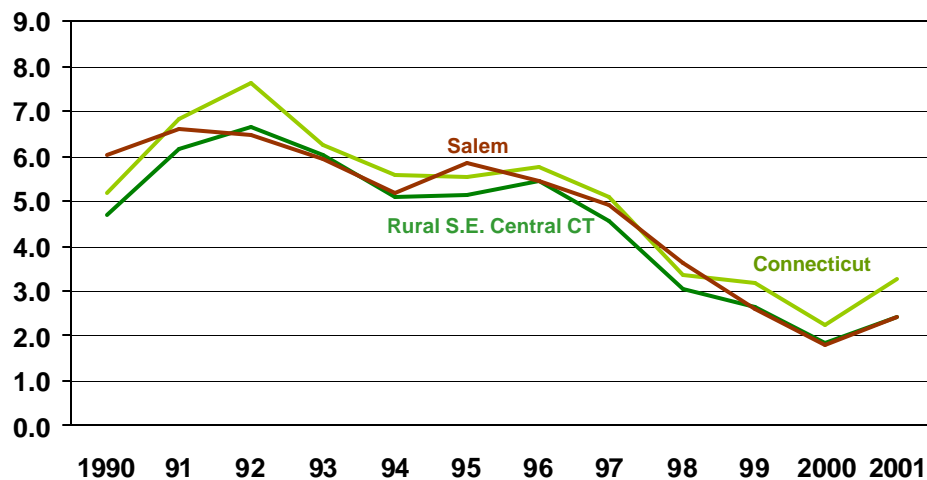
Growth in Labor Force, 1990-2001



Source: Connecticut Dept. of Labor

- Salem's unemployment rate remained very close to Connecticut's during the 1990s, although recently has been a half of a percentage point or more below the state's.

Unemployment rate, 1990-2001

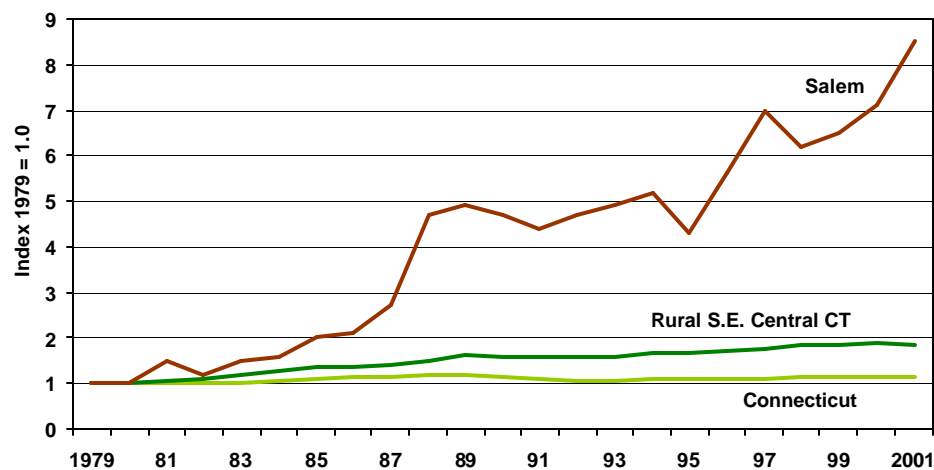


Source: Connecticut Dept. of Labor

## Employment

- Employment in Salem increased from 100 in 1979 to 850 in 2001.
- Large increases were observed in 1988, 1996 and 1997.
- In absolute terms, the 750 new jobs in Salem were only 8.5 percent of the 8,800 new jobs in the 11 towns in the rural southeast-central area of Connecticut during this period.
- The high rate in the increase in employment observed for Salem is in part a function of the small initial base.

Employment Growth, 1979-2001



Source: Connecticut Dept. of Labor



- By industry, employment growth since 1995 in Salem has entirely been in the service industries.
- Retail trade employment grew from 70 to 300 in the six years.
- Employment in the service industries doubled from 150 to 300.

**Employment By Industry in Salem, 1995-2001**

<b>Industry</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Total Nonfarm Employment	430	560	700	620	650	710	850
Goods Producing Industries	80	90	80	80	100	70	70
Construction	50	50	40	40	50	30	20
Manufacturing	30	40	40	40	50	40	50
Durable	30	30	30	30	40	30	40
Nondurable	10	10	10	10	10	10	10
Service Producing Industries	350	470	620	540	550	640	780
T.C.P.U.**	0	*	*	*	10	0	0
Trade	80	190	220	140	140	230	320
Wholesale	10	20	20	20	20	20	20
Retail	70	170	200	120	120	210	300
Finance, Insurance & R.E.	10	10	10	10	10	10	10
Services (incl. Nonprofit)	150	140	250	250	260	250	300
Government	120	130	130	130	130	150	150

\*\* T.C.P.U. Transportation, Communications, and Public Utilities.

\* Data suppressed

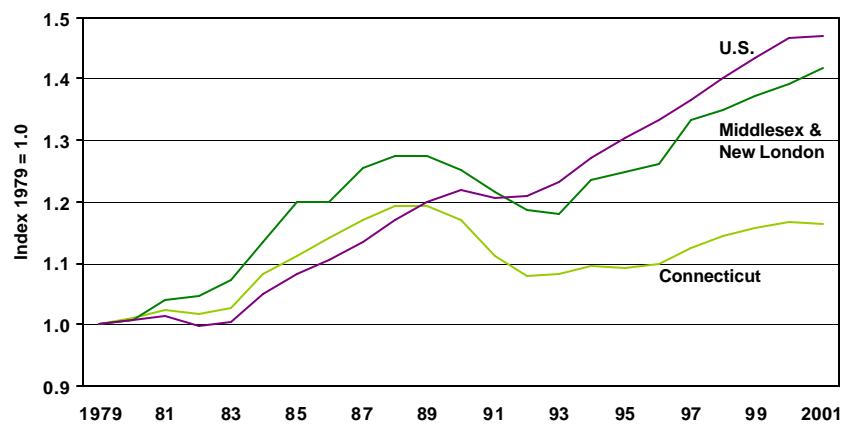
Source: CT Dept. of Labor

### ***Regional Economic Factors that Influence Salem***

The factors that influence the residents of Salem and the other rural towns in the area are inherently regional in nature and can be better observed at the county level. Because Salem borders Middlesex County, both Middlesex and New London counties have been used to define the region used for this analysis.

- Employment growth for Connecticut and the two counties of Middlesex and New London was strong until 1990.
- Since 1993 employment growth in the two counties has basically kept pace with the U.S. and outpaced the state's overall growth.

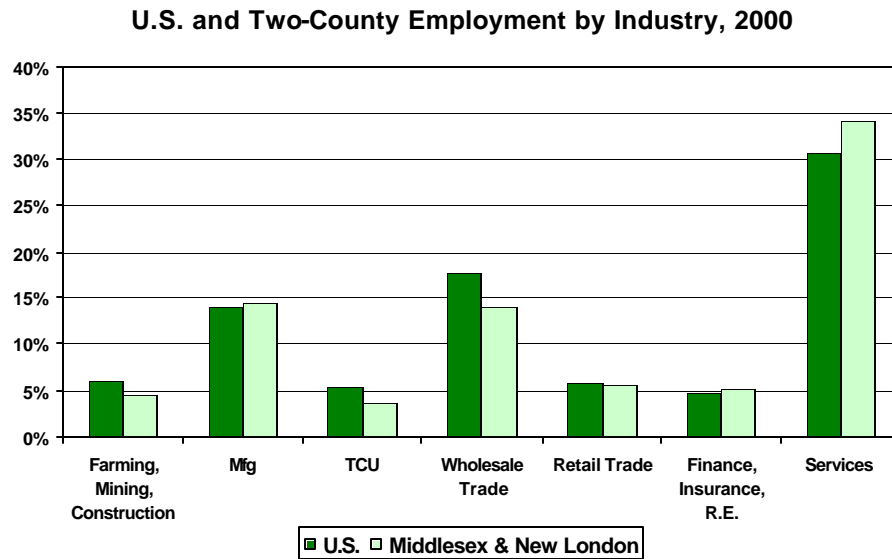
#### **Employment Growth Trends - U.S., Connecticut, and Two Counties, 1979-2001**



Source: U.S. and CT Dept. of Labor

### ***Industry Distribution 2000***

- Employment in Middlesex and New London counties is slightly more concentrated in manufacturing; finance, insurance and real estate; and services than the U.S.



Source: Economy.Com

## Regional Industrial Analysis

This analysis compares employment, total earnings, earnings per employee, gross regional product (GRP), and a measure of output and productivity (GRP per employee) for slightly more than 350 industries for Middlesex and New London counties.

- Miscellaneous amusement and recreational services (primarily the casinos) is the largest (3-digit SIC) industry in the region with more than 22,000 employees. This industry also has a relatively high concentration in the two counties and has grown rapidly since 1990.
- Manufacturing of pharmaceuticals, ship and boat building and repairing, utility electric services, and medical offices are some of the larger industries that are regionally important when measures of wealth and productivity are considered.
- Manufacturing of pharmaceuticals, wholesale trade of pharmaceuticals, computer and data processing services, and manufacturing of fabricated metal products are some of the larger industries in the region that have also grown since 1990.

### Analysis of Middlesex and New London Counties Largest Industries

SIC	Industry Description	Total Employment 2000	Size	Relative Concentration (US)	Absolute Growth	% Growth Rank	Productivity	Productivity Growth	Relative Productivity
799	Misc Amusement & recreational Service	22,070							
581	Eating & Drinking Places	8,350							
92	Total Military Personnel	7,960							
373	Mfg. - Ship & boat building & repairing	7,040							
631	Life insurance	5,660							
541	Grocery stores	4,040							
806	Hospitals	3,130							
873	Services-research & testing	2,660							
736	Services-personnel supply	2,540							
283	Mfg.-Drugs	2,460							
372	Mfg.-Aircraft & parts	2,080							
531	Retail-department stores	1,850							
349	Mfg.-Misc. fabricated metal products	1,830							
594	Retail-Misc. shopping goods stores	1,750							
491	Utilities-Electric services	1,730							
805	Nursing & personal care facilities	1,590							
836	Residential care	1,520							
737	Computer & data processing services	1,500							
822	Private Colleges & Universities	1,460							
864	Civic, Social, & Fraternal Association	1,440							
734	Services to buildings	1,420							
512	Wh Trade - Drugs & sundries	1,370							
603	Savings institutions	1,340							
801	Offices & clinics of medical doctors	1,270							
832	Individual & family services	1,170							

	Exceptional Industry	ranks 1-9
	Very Strong industry	ranks 10-29
	Strong industry	ranks 30-49
	Average industry	ranks 50-100
	Weak or very weak industry	ranks above 100

Source: Data for Ranking from Economy.com.

Note: GRP is Gross Regional Product. A value added measure of wealth similar to gross state product.

## Industry per Employee Productivity and Wealth Analysis

- Three of the five industries that rank in the top five in earnings and productivity per employee measures are in manufacturing.
- The utilities-electric services industry is an important regional industry due to the operations at the Millstone facilities.
- Offices related to health services, such as doctors and dentists, are also significant contributors to the region's wealth, especially in relation to the earnings of their employees.
- Service industries, such as the casinos and eating and drinking establishments, which ranked high in the absolute measures on the previous table, do not appear in this table because of their relatively low per-employee measures.

**Twenty Industries Providing the Most Earnings and Productivity per Employee in Middlesex and New London Counties, 2000**

SIC	DESCRIPTION	Emp 2000	Earnings/Productivity Rank		
			Summary	Wage per Emp	GRP per Emp
15	Construction-general building contractors	960			
263	Mfg.-Paperboard mills	280			
265	Mfg.-Paperboard Containers & Boxes	410			
282	Mfg.-Plastics materials & synthetics	200			
283	Mfg.-Drugs	2,460			
335	Mfg.-Nonferrous rolling & drawing	400			
355	Mfg.-Special industry machinery	420			
359	Mfg.-Industrial machinery, nec	250			
362	Mfg.-Electrical industrial apparatus	290			
366	Mfg.-Communications equipment	210			
369	Mfg.-Misc. electrical equip. & supplies	200			
373	Mfg.-Ship & boat building & repairing	7,040			
381	Mfg.-Search & navigation equipment	170			
481	Utilities-Telephone communications	300			
491	Utilities-Electric services	1,730			
621	Security brokers & dealers	260			
703	Camps & Recreational Vehicle Parks	110			
801	Offices & clinics of medical doctors	1,270			
802	Offices & clinics of dentists	470			
804	Offices & clinics of Other Practitioners	300			

	Exceptional Industry	rank 1-10
	Very Strong industry	rank 11-29
	Strong industry	rank 30-49
	Average industry	rank 50-100
	Weak or very weak industry	rank above 100

Source: Data for Ranking from Economy.com.

Note: GRP is Gross Regional Product. GRP measures the industry's value added.

### **Total and Regional Industry Inputs**

This analysis focuses on the secondary impacts industries have on a region by examining estimates of inputs of goods and services, as well as industry purchases from the local economy.

- Nearly \$400 million of the \$622 million inputs for the pharmaceuticals industry are estimated to be from local industries within the two-county regions. (Nearly \$250 million are from within the drug industry.)
- \$234 million or nearly 50 percent of all inputs for the amusement and recreational services industry are estimated to be purchased from local industries.
- \$220 million are the estimated spending on inputs from industries within the two-county regions for purchases of the aircraft and missile engines and parts industry.

#### **Total and Regional Industry Inputs for Middlesex and New London Counties, 2000**

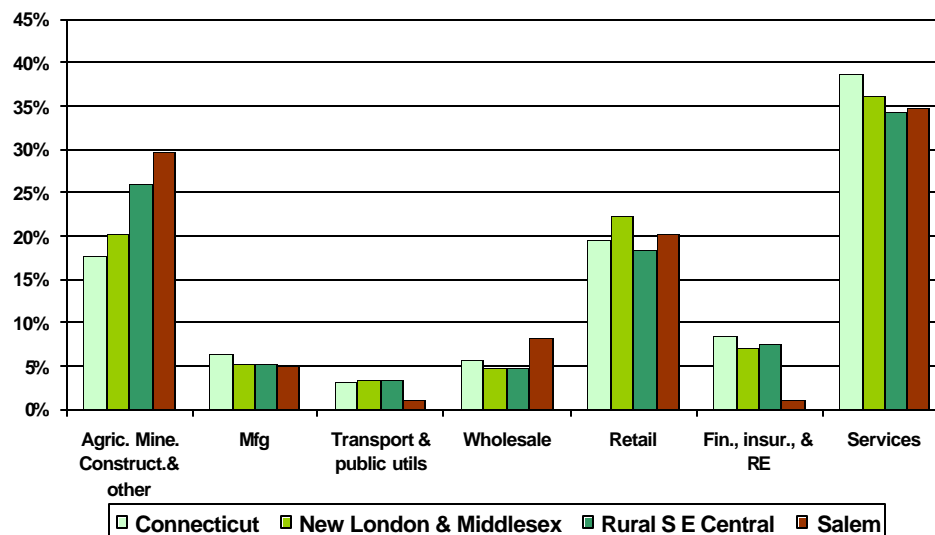
Industry Description	Inputs (In Millions)		Percent Regional
	Gross	Regional	
Pharmaceuticals	\$622	\$399	64%
Amusement and Recreation Services, N.E.C.	475	234	49%
Aircraft and Missile Engines and Parts	445	221	50%
Owner-occupied Dwellings	274	170	62%
Real Estate	212	138	65%
Insurance Carriers	462	120	26%
Banking	223	110	49%
Wholesale Trade	226	109	48%
New Residential Structures	266	95	36%
Eating & Drinking	213	87	41%
Doctors and Dentists	151	85	56%
Electric Services	173	78	45%
Motor Freight Transport and Warehousing	135	77	57%
Hospitals	144	74	52%
New Government Facilities	171	72	42%
Toilet Preparations	159	70	44%
Miscellaneous Plastics Products	121	70	58%
Other State and Local Govt Enterprises	92	66	71%
Engineering, Architectural Services	122	63	52%
Maintenance and Repair, Residential	159	62	39%
Paperboard Mills	151	62	41%
New Industrial and Commercial Buildings	165	62	37%
Water Transportation	119	59	49%
Ship Building and Repairing	424	56	13%
Maintenance and Repair Other Facilities	129	52	40%

Source: IMPLAN Input/Output Data matrices for New London and Middlesex, 2000

### ***Industry Distribution in Salem, 2002***

- Salem has a large share of establishments in the agriculture, mining, and construction industries. This large share is primarily a result of a high number of construction establishments.
- When compared to the rest of the state, Salem's share of wholesale and retail trade establishments is relatively large.

**Distribution of Establishments, 2002**

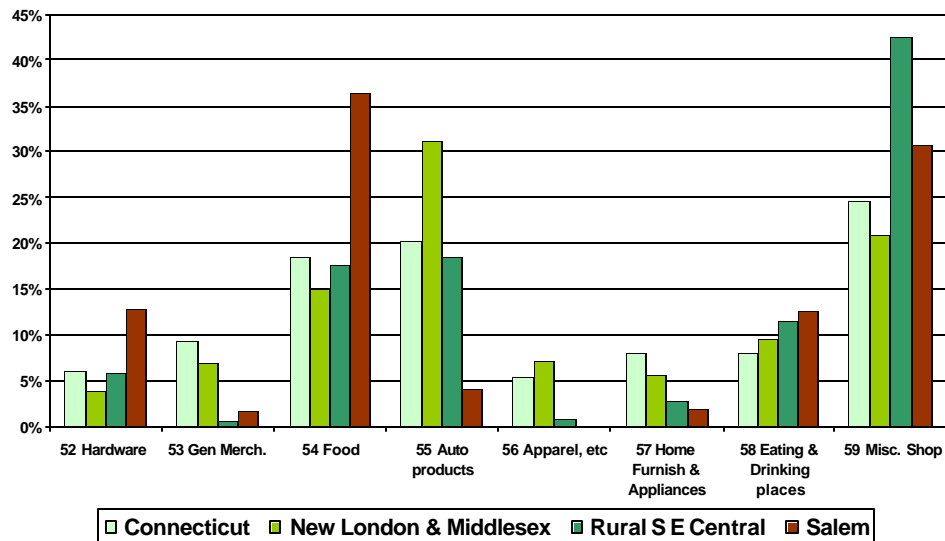


Source: I-Market, 2002

## Retail Industry Profile

- The retail industry in Salem is concentrated in food, miscellaneous shopping, hardware, and eating and drinking establishments.
- The rural southeast-central towns appear to have a higher concentration in miscellaneous shopping. (Although single-company reporting locations can be a problem in the Connecticut Department of Revenue Services data, other data sources confirm this concentration.)

**Distribution by Industry of Retail Sales, 2001**



Source: Connecticut Dept. of Revenue Services



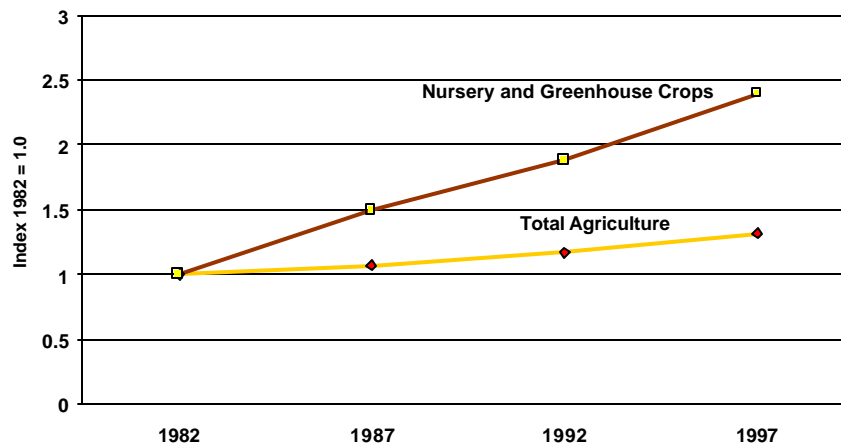
## Rural Agricultural-Related Trends

As part of our analysis, we reviewed regional economic trends of various agricultural-related factors that may be relevant to the economic growth in Salem.

### ***Nursery and Greenhouse Crop Sales***

- Sales of nursery and greenhouse crops in the nine Northeastern states have increased more than 240 percent since 1982, while overall sales in agriculture crops have increased by only 33 percent.

**Growth of Sales, Northeast U.S. for all Agricultural Products and Nursery and Greenhouse Crops, 1982-97**



Source: Agriculture Department, Census of Agriculture

## Horses and Horse-farm Data

- The data on the number of horses in the state is incomplete because the most comprehensive horse census collects only farm-based data (horses only on registered farms are counted). However, from that data, we can see that on a per-square-mile basis, horses are much more concentrated in Connecticut than in the rest of the U.S.
- Middlesex County has, on average, slightly more than four horses per square mile.

**Connecticut, Middlesex, and New London Farms, Sales and Inventory of Horses and Ponies, 1987, 1992, 1997**

Region	Inventory			Sales (\$1,000)		
	1987	1992	1997	1987	1992	1997
<b>Absolutes</b>						
Connecticut	6,922	5,794	6,797	\$9,313	\$3,056	\$3,966
Two County Total	1,951	1,675	2,144	\$730	\$539	\$922
Middlesex	1,218	973	1,563	\$339	\$238	\$433
New London	733	702	581	\$391	\$301	\$489
<b>Per 10,000 people</b>						
<b>US</b>	101.41	79.90	89.03	\$34	\$25	\$38
Connecticut	21.32	17.55	20.29	\$29	\$9	\$12
Two County Total	50.15	42.21	52.42	\$19	\$14	\$23
Middlesex	87.98	67.34	103.94	\$24	\$16	\$29
New London	29.26	27.82	22.46	\$16	\$12	\$19
<b>Per Square Mile</b>						
<b>US</b>	0.69	0.58	0.68	\$235	\$182	\$290
Connecticut	1.43	1.20	1.40	\$1,922	\$631	\$819
Two County Total	1.88	1.62	2.07	\$705	\$521	\$891
Middlesex	3.30	2.63	4.23	\$918	\$644	\$1,173
New London	1.10	1.05	0.87	\$587	\$452	\$734

Source: Census of Agriculture, U.S. Dept. of Agriculture

Census of Agriculture is based on farm data. Private non-farm data are not included.

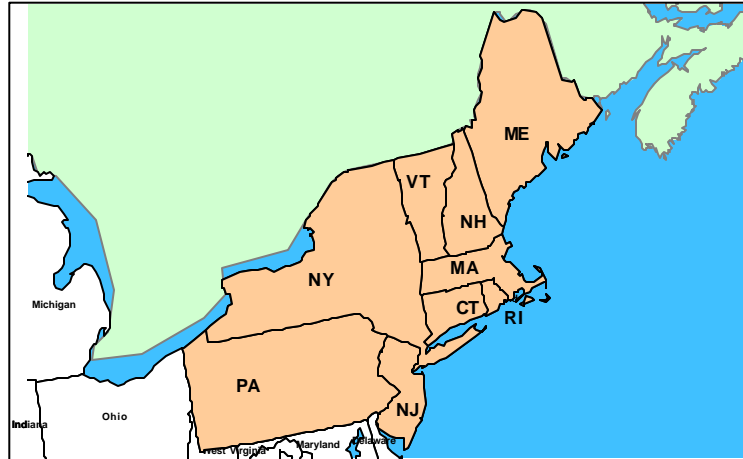
Dr. W. A. Cowen estimated approximately 45,000 horses in Connecticut.

In the U.S. there were an estimated 6.9 million

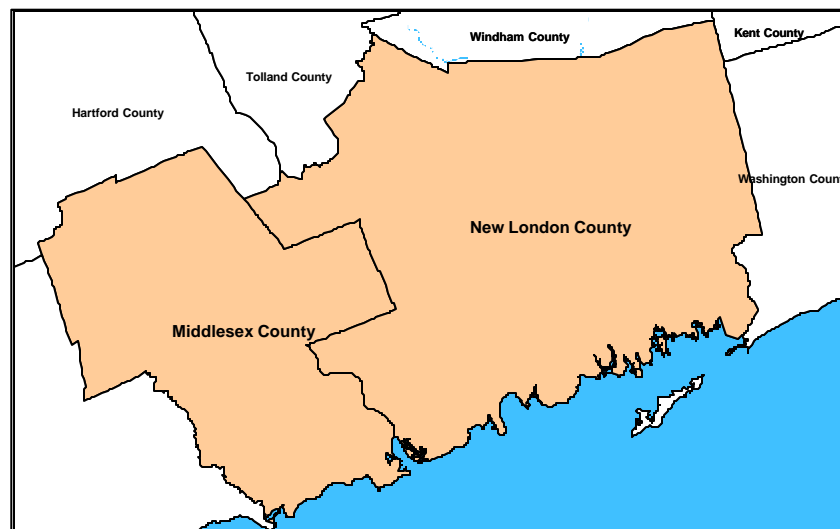
Horses in CT are much less likely to be on "farms"

### ***Definition of Geographic Regions***

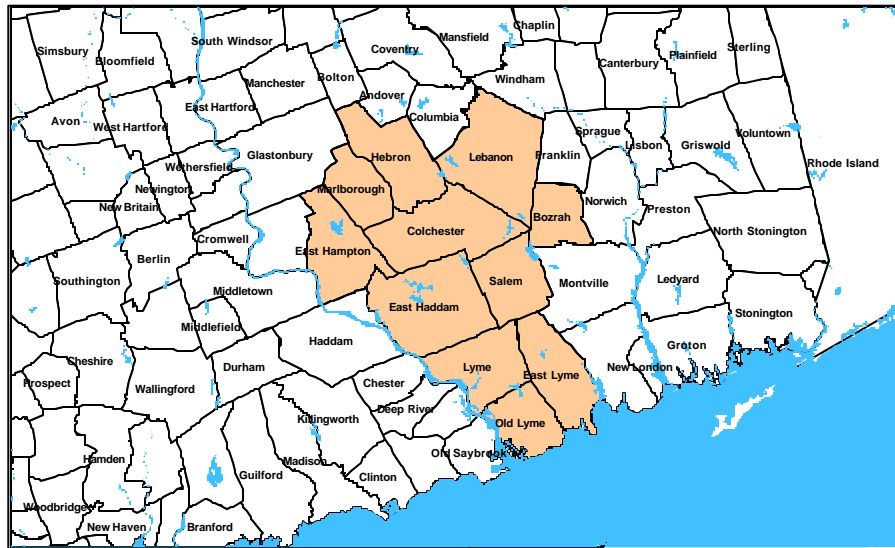
- The nine states of the Northeastern U.S., including Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont. This region was used to examine general market trends.



- State of Connecticut. This region was used as a benchmark to compare the more local regions.
- Middlesex and New London counties. The economy of these two counties should be considered the primary factor that influences Salem's.



The 11 towns of rural southeast-central Connecticut, including Bozrah, Colchester, East Haddam East Hampton, Hebron, East Lyme, Lebanon, Lyme, Marlborough, Old Lyme, and Salem. These towns were selected as a set of rural towns that would be expected to have similar economic and demographic profiles to the town of Salem. Their populations range between nearly 2,000 for Lyme and 15,000 for East Lyme.



- Town of Salem. When data items are available for analysis, the Town of Salem is included.

# Appendix B

## Analyses of Potential Business Opportunities

Following is an analysis of the 20 categories of businesses proposed by the Stakeholder Committee. Listed in alphabetical order, they are:

1. Age-Restricted Cluster Housing
2. Agriculture – Ornamental Horticulture
3. Agriculture-related Retail
4. Agriculture – Service Retail
5. Agriculture – Specialty Crops and Animals
6. Agriculture – Traditional
7. Bed and Breakfast Establishments
8. Camps
9. Campgrounds
10. Equestrian-Related Activities
11. Existing Businesses (in general)
12. Fish and Game Supply – Retail
13. Golf Courses
14. Home-Technology Occupations
15. Industrial – Small Operations
16. Information Storage (“Server Farms”)
17. Local Retail Services
18. Quarries
19. Self Storage
20. Travel Services

### ***1. Age-Restricted Cluster Housing***

#### **Description**

Housing specifically designed and limited to residents aged 55 and over. It can be attached or detached, but is usually within some type of common-interest community. There is a full range of age-restricted housing, based upon the level of services and care

offered to the residents. At one end of the continuum are “active adult” communities, in which the only services offered are exterior maintenance and perhaps some common-area recreational facilities. There are also assisted living centers, which are intended for residents who need assistance in some of their daily tasks, but do not need ongoing medical care. Nursing homes are for those who are unable to care for their daily personal needs and who require a degree of medical attention.

### **Locational Characteristics**

Many seniors prefer to live at a location near where they have lived most of their lives, in order to maintain family and social connections. There is also some desirability for this type of development to be in close proximity to services.

### **Labor Force Requirements – Skills Level**

Little or no employment would be required at the active adult housing. Service employment is needed for assisted living centers, and health-care-related employment is needed for Alzheimer’s centers and nursing homes.

### **Potential Impact on Community Character**

These types of uses can take on a variety of physical characteristics. The assisted living centers and nursing homes have all units located within one building that is usually two to three stories tall. The active adult communities can be clustered in an open-space configuration. Any potential impacts upon the community character can be mitigated through careful site design.

### **Grand List Impact**

The impact on a town’s grand list from these housing developments can be significant, as it can include substantial value in residential structures, without the accompanying demand on municipal services.

### **Site Requirements**

Ideally, the assisted living or nursing homes should have public water and sewer, although it is possible to utilize onsite systems. An active adult community can be developed with onsite water supply and waste disposal, but the town may be required to accept ultimate responsibility for any failure in the system.

### **Applicability for Salem**

Although Salem has a lower percentage of its residents in the 55-and-over age categories than other communities, these age groups are growing generally. There is a strong potential for active adult housing in Salem.

## **2. Agriculture – Ornamental Horticulture**

### **Description**

This business group includes the wide variety of plants and flowers raised for transplant into residential or commercial gardens and landscaping. It includes the raising of trees, shrubs, annuals, and perennials. Much of the stock is shipped to garden and nursery centers throughout the Northeast.

### **Locational Characteristics**

In order to stay fresh, these crops are ideally located within several hundred miles of their markets.

### **Labor Force Requirements – Skills Level**

Some management and entrepreneurship, with most work done by agricultural workers with relatively low skill levels.

### **Potential Impact on Community Character**

The growth of these businesses would enhance the rural environment of the town, except that certain types of ornamental agriculture require the extensive use of greenhouses.

### **Grand List Impact**

The primary benefit is providing an economic use for the land that would prevent or delay the construction of housing.

### **Site Requirements**

Relatively large (25 acres plus), level sites are required.

### **Applicability to Salem**

The growth of ornamental agricultural products has been increasing strongly throughout the Northeast. Many existing farms have succumbed to development, so there appears to be a demand for additional farms. The issue is the availability of land in Salem that would be suitable for this type of operation.

### **3. *Agriculture-related Retail***

#### **Description**

Many farms have broadened their income by including a retail operation on site. These operations are a far cry from the old farm stand, which just sold the produce from the farm. Many of the modern retail operations sell a wide range of produce and food, bakery products, and other food and agricultural products. Many of stores also sell gifts and have a restaurant or snack bar. These operations can become destinations of their own.

#### **Locational Characteristics**

As retail operations, these businesses should be visible and accessible, and are ideally located on a state highway.

#### **Labor Force Requirements – Skills Level**

The size of the labor force needed depends upon the size of the retail operation. The labor force requirements are similar to other retail operations, some managerial employees and sales staff.

#### **Potential Impact on Community Character**

Generally, these operations can be designed to conform to the rural character of a community, if the size is limited, and strict architectural and site controls are imposed.

#### **Grand List Impact**

The primary benefit of an agricultural retail operation is that increases the economic viability of agricultural operations, which would limit economic pressures to sell for residential development. The retail building will contribute to the grand list.



## **Site Requirements**

Several acres of level land are needed, with soil capability available to support on-site sewage disposal.

## **Applicability for Salem**

Agricultural retail in Salem would benefit from the presence of nearby population centers and possibly from the high volume of tourism in Southeastern Connecticut.

## **4. *Agricultural Service – Retail***

### **Description**

Retail businesses that serve agricultural businesses.

### **Locational Characteristics**

Should be accessible to the agricultural operations.

### **Labor Force Requirements – Skills Level**

Retail skills and a knowledge of agriculture. Employment is dependant upon the size of the facility.

## **5. *Agriculture – Specialty Crops and Animals***

### **Description**

This includes a wide range of non-traditional agricultural products, such as mushrooms, herbs, maple sugarhouses, honey, specialty fruits, and vineyards. Many combine with a retail or tourist component, consistent with the “theme” of the crop. The crop is often a “niche crop” appealing to a small, but strong segment of the market. The agricultural operation may also include the processing of the products, including canning, bottling and ready-to-eat food products.

### **Locational Characteristics**

Rural areas that are close to population centers.

### **Labor Force Requirements – Skills Level**

Larger operations would require a manager with experience or training in agriculture. There would be some demand for lower-skilled labor, both within the agricultural and retail components of the business. However, the overall number of workers needed would be small.

### **Potential Impact on Community Character**

These uses would help assist in the maintenance of the rural environment, as most of the land would need to be devoted to agricultural production. However, some physical improvements would be required, such as the retail store, greenhouses, or other agricultural buildings.

### **Grand List Impact**

The buildings associated with the business would increase the grand list. The extent would be dependant upon the scale of the buildings, but most would be relatively small. The valuation of the land would decrease if the land was assessed as agricultural land under the PA 490 program. However, the principal impact would be that the land would not be subject to residential development.

### **Site Requirements**

Proper soils and environmental conditions are needed, and each specialty crop has its own requirements. Many of these operations are relatively small, and areas as small as 25 to 50 acres may be adequate.

### **Applicability for Salem**

Salem's location near metropolitan areas and tourist attractions are very attractive for these uses. Many sites within the town may be appropriate for these uses.

## ***6. Agriculture – Traditional***

### **Description**

The raising of crops or livestock. In Salem, this has primarily included dairy farming and some crop farming, such as corn and hay. Like many businesses, this industry is evolving to a more global, high-technology perspective.

**Locational Characteristics**

The specific location is not as important as the specific characteristics of the site. Salem is within easy transportation distance to the major markets of the Northeast.

**Labor Force Requirements – Skills Level**

Some management and entrepreneurship, with most work done by agricultural workers with relatively low skill levels.

**Potential Impact on Community Character**

Important components of preservation of community character, although some residents may object to the natural offsite impacts of an ongoing agricultural operation.

**Grand List Impact**

Since agricultural land is favorably assessed; the outstanding impact upon the grand list is the prevention of residential development.

**Site Requirements**

The raising of crops requires land with characteristics suitable for the particular crop. Dairy farms need gentle to rolling terrain of a sufficient size (several hundred acres) to be profitable.

**Applicability for Salem**

The continuation of traditional agricultural operations is a fundamental way in which the town could achieve its development goals.

***7. Bed and Breakfast Establishments*****Description**

Small accommodations for travelers and tourists that offer sleeping and eating facilities in a setting more intimate setting than conventional hotels.

**Locational Characteristics**

Should be located in or near an area of tourist or visitor interest. These facilities are often within oversized, historical single-family homes.

**Labor Force Requirements – Skills Level**

Most are owner-operated with no or one employee.

**Potential Impact on Community Character**

The renovation of historical homes to accommodate these facilities enhances the character of the community.

**Grand List Impact**

Minimal for direct impacts, as these facilities usually utilize an existing building.

**Site Requirements**

A large, historic structure is an ideal situation for a bed and breakfast.

**Applicability for Salem**

There may be one or two applications for bed and breakfasts in Salem.

**8. Camps****Description**

This includes a variety of business operations that all have the characteristic of providing outdoor experiences for youth, primarily during the summer months. These can be day camps or overnight camps and include general summer camps, special camps for children with a particular interest or talent, and educational camps.

**Locational Characteristics**

Except for day camps, they are usually located within rural areas, but as the camps serve children from the population centers, they are usually not in remote locations.

**Labor Force Requirements – Skills Level**

The camps require a range of trained counselors, administrators, and general workers. Most of the workers live on-site during the summer camping season.

**Potential Impact on Community Character**

Camps would enhance and preserve the rural character.

**Grand List Impact**

The primary benefit is providing an economic use of the land that would prevent or delay the construction of housing.

**Site Requirements**

Camps are generally located upon several hundred acres of wooded land. The presence of a swimmable lake is a strong asset.

**Applicability for Salem**

Salem is an attractive location for all types of camps.

**9. Campgrounds****Description**

Facilities for recreational camping, including tent and recreational-vehicle (RV) camping. This often includes a range of recreational activities, such as swimming, fishing, tennis, etc.

**Locational Characteristics**

Should be near either a population center or some tourist attraction.

**Labor Force Requirements – Skills Level**

Minimal labor force needs; most of tasks are done by entrepreneur and some maintenance staff.

**Potential Impact on Community Character**

Enhances rural character.

**Grand List Impact**

Many of the campgrounds house camping trailers that are taxed within the town. These trailers, or mobile homes, are often of a high value, and can make a significant contribution to the town's grand list.

## **Site Requirements**

A preferred site is near a natural amenity, such as a lake. A site of at least 25 acres is required to create the tourist-oriented environment with amenities.

## **Applicability for Salem**

These uses can take advantage of the natural rural amenities of the community, as well as serve a component of the overall tourism industry of southeastern Connecticut.

## **10. Equestrian-Related Activities**

### **Description**

The raising, breeding, keeping, and boarding of horses. There are other elements of this industry, such as equestrian centers, that serve as facilities for horse shows. May include the following:

- Equine Veterinary Clinic – this can save the horse owner money if the horse is healthy enough to travel.
- Handicapped Rider/Therapy Programs
- Show-clinic Facility
- Tack Shops
- Trailer-truck Sales
- Grain/Feed Stores
- Agricultural Building Materials (Pole Barns, etc.)
- Farrier School (Blacksmith Training Facility)
- Rental of Related Equipment

### **Locational Characteristics**

The raising, breeding, and keeping of horses should be near the market, that is the horse owners. Ideally, it would be in a rural environment that is not far from population centers. Equestrian centers should be somewhat accessible to major transportation routes.

### **Labor Force Requirements – Skills Level**

Workers are needed that have training and experience in the equestrian activities.

## **Potential Impact on Community Character**

It would enhance the rural character of the town.

## **Grand List Impact**

Although certain agricultural structures would be needed, the primary fiscal benefit would be providing an alternative productive use to residential development. An equestrian center might have a more significant impact upon the grand list, as it would include more buildings and structures. If it were a nonprofit facility, the town would receive “payment in lieu of taxes” from the state.

## **Site Requirements**

Hobby farms in which several horses are boarded or cared for may be located on relatively small parcels of five acres. However, larger-scale operation would need more land. The primary site requirement would be sufficient, level land for buildings, pens, or tracks.

## **Applicability to Salem**

Salem is home to a small cluster of these types of activities, including riding stables, a tack shop, and an equipment rental center, so it has the basis for equestrian-related centers to grow and expand.

## ***11. Existing Businesses (in General)***

The purpose of this collection of analyses is to help make decisions about whether or not to focus on promoting any given business category. Insofar as this category comprises businesses already in town, and insofar as the Stakeholder Committee has agreed that this is a high priority for EDC focus, no detailed analysis was done.

## ***12. Fish and Game Supply – Retail***

### **Description**

This is a special category of sporting goods stores that specializes in providing goods and services to game hunters.

**Locational Characteristics**

Should be located where there is a concentration of sportsmen, either their place of residence or where they go to hunt.

**Labor Force Requirements – Skills Level**

Not a high employment generator.

**Potential Impact on Community Character**

Additional retail outlet, but not a significant impact.

**Grand List Impact**

Addition to the grand list similar to other small retail stores.

**Site Requirements**

It can be part of a shopping center or a freestanding store. If a freestanding store, it can be placed on a lot as small as an acre.

**Applicability for Salem**

There may be some limited opportunities for these types of retail uses within the town.

**13. Golf Courses****Description**

18-hole golf course with accompanying clubhouse.

**Locational Characteristics**

Should be close to population centers, a resort or an attraction.

**Labor Force Requirements – Skills Level**

Employees are needed for landscaping and to work the restaurant/club house. The landscaping employment is seasonal, and the amount of employment generated by the clubhouse is dependant upon the size and specific characteristics for the clubhouse.



### **Potential Impact on Community Character**

There appears to be some disagreement as to whether a golf course is consistent with the rural character of a community. On one hand, a large tract of land is landscaped and kept relatively free from buildings, but the construction of a golf course involves a great deal of alteration of the natural landscape.

### **Grand List Impact**

The clubhouse would add to the grand list, with the amount dependant upon the size of the clubhouse.

### **Site Requirements**

Approximately 150 acres are needed. The land can contain a rolling, varied terrain, but extensive steep slopes or wetlands make development of a golf course more difficult.

### **Applicability for Salem**

There has been some independent development of golf courses in Connecticut in recent years, but most golf course development is a component of a residential development. Therefore, the potential for golf course development without residential development may be limited.

## ***14. Home Technology Occupations***

### **Description**

This encompasses a broad range of products and services. The growing complexity of the economy has created a need for individual specialists, and expanding technology has enabled these specialists to operate individual businesses out of their homes or small offices, with the benefit of a high-speed Internet connection, fax machine, and cellular phone. These firms service a wide variety of businesses and may be non-geographic based.

### **Locational Characteristics**

The high-speed Internet connection is an important requirement of most of these businesses, but the most important requirement is the presence of highly educated and skilled people who have the knowledge and ability to perform these services. Some connection to a major institution or facility would also be helpful. The presence of the

military, major defense contractors, and major pharmaceutical facilities can be a strong basis for these types of businesses, as well as offering a potential client base.

### **Labor Force Requirements – Skills Level**

High educational and skill levels.

### **Potential Impact on Community Character**

These are quiet, unobtrusive, businesses that would have no impact upon the character of the community.

### **Grand List Impact**

Many of those businesses operating within the home of the owner would have a minimal impact upon the grand list, although some may use equipment of a considerable value. There also exists a significant potential for some of these businesses to expand and grow within the community. If that happens, they will need a facility to house them and the personal equipment would be taxed.

### **Site Requirements**

No specific site requirements, except good Internet access.

### **Applicability for Salem**

This is a growing segment of the economy, and it would appear to be well adapted to Salem's skilled, educated work force.

## ***15. Industrial – Small Operations***

### **Description**

The fabrication and/or assembly of products. This can include a wide variety of products.

### **Locational Characteristics**

The specific locational characteristics are dependant upon the specific industry, but generally, manufacturing operations need proximity to labor and transportation facilities. To varying degrees, the operations need some level of proximity to suppliers and markets.

**Labor Force Requirements – Skills Level**

Manufacturing generally requires high skill levels, again dependant upon the nature of the operation. The amount of employment needed is a function of the size of the operation.

**Potential Impact on Community Character**

Smaller manufacturing operations may be designed to be consistent with the rural character of the community, but larger operations would be more appropriate in urban or suburban settings.

**Grand List Impact**

May be significant, with state reimbursement of tax deferment for personal property.

**Site Requirements**

Varies, dependant upon size and intensity of facility, but should be a minimum of one acre of developable land. The provisions for sanitary waste disposal and water supply may be important for certain types of industries. The town's lack of infrastructure would dictate that uses be encouraged that do not require much water supply or disposal.

**Applicability for Salem**

There is a need for sites for small industries of various types throughout the region. The completion of Route 11 would increase the accessibility of Salem for these small industries to access employees, suppliers, and markets, and would increase the overall attractiveness of Salem as a location for these small industries.

**16. Information Storage****Description**

Building containing computer equipment that stores information for businesses off-site as a secondary or back-up facility.

**Locational Characteristics**

Principle requirement is fiber-optic lines to transmit data. Many firms may wish to use these facilities as a back-up operational center, should an emergency prevent operations

at the principal center. In these situations, proximity to the principal center becomes important.

**Labor Force Requirements – Skills Level**

Small number of highly skilled employees.

**Potential Impact on Community Character**

Can be screened as a low-impact use.

**Grand List Impact**

Can be a significant factor in the increase of the grand list, as there will be high valuation of personal property (equipment).

**Site Requirements**

Level acre or two, with access to fiber optics.

**Applicability for Salem**

The future demand for these facilities in a rural setting such as Salem is unknown at this time. The demand for these facilities is dependant upon security concerns and technical innovations.

**17. Local Retail Services**

**Description**

Retail and personal services for the residents of the immediate area.

**Locational Characteristics**

Should be central to the population served. The completion of Route 11 would have two primary impacts upon the retail character of Salem: (1) remove commuter traffic from Route 85, which will impact the businesses of the Four Corners area that currently cater to the commuters; and (2) provide better access from the south to the Four Corners Area.

**Labor Force Requirements – Skills Level**

Varies, from entrepreneurial to clerical.

**Potential Impact on Community Character**

Can enhance the character of the community by offering services needed by the residents in a setting that enhances community character. It can also provide a central focus of the community. The design and physical characteristics of the retail areas of a community are often a major factor in the perception of the community.

**Grand List Impact**

Can be significant, if new construction or rehabilitation is required.

**Site Requirements**

Centrally and conveniently located. In the situation of Salem, these services should be located within the general area of the intersection of routes 85 and 82. However, larger-scale retail uses, if desired, such as a supermarket, would need a larger site.

**Applicability for Salem**

The completion of Route 11 will create a change in the retail services offered within the Four Corners area. The reduction of commuter traffic on Route 85 will probably result in the loss of those businesses that cater to the commuters and people passing through. However, these businesses are likely to be replaced by those serving the growing residential population and local business community. The limited availability of other land for retail development provides that the locally generated retail demand has to be met within this location.

**18. Quarries****Description**

The mining and removal of stone and rock products from the ground.

**Locational Characteristics**

Should be not far from markets for these products, as transportation costs are a significant component of expense.

### **Labor Force Requirements – Skills Level**

This is not a labor-intensive activity, but employees with the appropriate skills are required.

### **Potential Impact on Community Character**

Quarries are not particularly attractive facilities, and they may generate substantial truck traffic that could impact local roads. However, they are a traditional component of many communities and are sometimes accepted, and even embraced.

### **Grand List Impact**

They only current impact upon the grand list is the assessment of crushing and processing equipment and vehicles. The taxation on product or inventory removed would require a change in state statutes to give that authority to municipalities. Other municipalities, such as North Branford and Plainville, have significant quarry operations and may be interested in this type of legislative action.

### **Site Requirements**

The site requirements are a function of the underlying geology. The site must contain the hard rock, often some form of trap rock that is a commercially desirable product.

### **Applicability for Salem**

There is an ongoing demand for the quarry products, and the geology of Salem appears to be conducive to their production. Many municipalities view quarries as nuisances and are reluctant to permit their establishment or expansion, so if Salem welcomes or permits these uses, they would find the town an attractive location.

## ***19. Self Storage***

### **Description**

Commercial warehouses in small units available for lease to businesses or residents.

### **Locational Characteristics**

These facilities generally serve a local market, so it should be located within three to five miles of its customer base. It is unlikely that Salem could support more than one of these facilities within the foreseeable future.

**Labor Force Requirements – Skills Level**

There are few employees within these businesses.

**Potential Impact on Community Character**

These facilities are generally constructed inexpensively and are usually not of the highest architectural standards. Sufficient setbacks and screening is necessary to soften the visual impact.

**Grand List Impact**

The construction of these facilities would increase the grand list.

**Site Requirements**

Three to five acres of level land is necessary.

**Applicability for Salem**

Salem probably could support one self-storage business that would benefit from overall economic growth. There are also available sites, but this type of use would not be an important element of economic development.

**20. Travel Services****Description**

These uses include a range of services that cater to the traveling public and include restaurants, lodging, and fuel.

**Locational Characteristics**

These services tend to locate “just off the ramp” of regional limited access highways or other major transportation routes. A nearby example of this is Exit 74 of I-95. Locations along I-95 are attractive to the full range of these uses due to the generally high traffic volumes, and specifically the high volume of tourist and long-distance travel along I-95.

**Labor Force Requirements – Skills Level**

The amount of employment generated is a function of how much of this development occurs. Most of the labor required is clerical or administrative.

### **Potential Impact on Community Character**

Many communities have allowed these uses to proliferate with minimal regard for the character of the community, which has resulted in relatively ugly strips of fast food, gasoline stations, and motels. However, these impacts can be controlled, if this type of development is confined to certain areas, and they are developed in accordance with specific design and zoning standards.

### **Grand List Impact**

The construction of new structures could have significant impact upon the grand list.

### **Site Requirements**

Level property with access to a state highway, and soils with characteristics to facilitate on-site waste disposal.

### **Applicability for Salem**

The demand for these uses will grow with the completion of Route 11. The completion of Route 11 will result in an overall increase in traffic volume using the corridor, although not necessarily local streets. The increased volume increases the desirability of interchange sites for gasoline stations and fast-food restaurants. The town should determine whether it wishes to encourage, permit and regulate; or to discourage these uses.